



Norman H. Bangerter
Governor

Dee C. Hansen
Executive Director

Dianne R. Nielson, Ph.D.
Division Director

State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

355 West North Temple
3 Triad Center, Suite 350
Salt Lake City, Utah 84180-1203
801-538-5340

December 29, 1988

Mr. Philip N. Raines
Marblehead Lime Company
390 East Joe Orr Road
Chicago Heights, Illinois 60411

Dear Mr. Raines:

Re: Reduction of Reclamation Surety, Utah Marblehead Lime Mine,
M/045/003 & M/045/024, Tooele County, Utah

Thank you for your November 23, 1988 letter which contained the Surety Rider for Bond No. _____, from Safeco Insurance Company of America. The rider effectively reduces the amount of Marblehead Lime Company's reclamation bond liability from \$119,257 to \$51,400.

Marblehead Lime Company has now fulfilled its reclamation surety obligation for the limestone quarry which will remain under the company's control. U. S. Pollution Control Incorporated (USPCI) has provided the Division with an updated reclamation surety bond for the Marblehead Mountain Processing Facility. The bond will undergo a legal review and then be presented to the Board of Oil, Gas & Mining during its January 26, 1989 hearing. Upon the Board's approval of the amount and form of reclamation surety, the permit transfer process between your company and USPCI will be completed.

We have also received your December 12, 1988 letter which requests Division approval to delay the implementation of the onsite revegetation test plots until the fall of 1989. The Division concurs with your consultant's recommendation and looks forward to working with you as the final details of the test plot program are designed and implemented. We would appreciate an opportunity to review the final design details onsite with you and/or your consultant, prior to actual field implementation.

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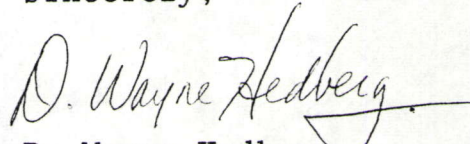
We are concerned with your desire to relocate the test plots from the plant site area to the limestone quarry. The test plots were originally established at the plant site to develop a site specific revegetation plan for final reclamation of the processing plant area and the quarry. You have requested that the Division now hold all revegetation test plot design details and vegetation success results as proprietary.

Utah Statute, Title 40-8-13(2), specifies that information provided in the notice of intention and its attachments relating to the location, size, or nature of the deposit that are marked confidential by the operator shall be protected as confidential information by the Board and the Division and are not a matter of public record unless a written release is obtained from the operator. Utah Rule R613-004-115, has the same confidential information provisions. Test plot establishment was approved as part of the original permit which was issued to Utah Marblehead Lime for the processing plant and the quarry.

Due to these extenuating circumstances, the Division cannot agree to hold the test plot revegetation information as confidential. Revegetation test plots are required to determine the best suited revegetation plan for both locations. It will truly be a disappointment if Marblehead Lime can no longer honor their original permitting and reclamation commitments in this regard.

Should you have questions regarding the content of this letter, please contact me at your earliest convenience. Again, thank you for your continued cooperation and patience.

Sincerely,


D. Wayne Hedberg
Reclamation Hydrologist

DWH/jb
cc: Lowell Braxton
Minerals Team
MN3/59-60